GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:994
ANSWERED ON:06.03.2007
INDUSTRIES CLOSED
Patle Shri Shishupal Natthu;Pingle Shri Devidas Anandrao

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that the industries of some areas in the country are getting more affected in the current year due to shortage of power during the last two years;

(b) if so, the details of such small and large industries which have been closed, State-wise;

(c) whether some industries have been transferred from Maharashtra and Uttar Pradesh to other States ;

(d) if so, the details thereof, industry-wise;

(e) whether the Government has given any financial assistance to continue such industries; and

(f) if not, the reasons therefor ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI ASHWANI KUMAR)

(a): Shortage of industrial power is one of the causes that adversely impacts industrial development in different parts of the country.

(b): The Labour Bureau, Shimla under Ministry of Labour & Employment collects information on closure of industrial units covered by the Industrial Disputes Act, 1947. As per the information received from the Labour Bureau, 193 units were closed permanently during 2004 and 82 during 2005. State-wise numbers are at Annexure.

(c)&(d): Relocation of industrial units is a continuous process.Industries are relocated for various reasons such as better availability of raw material, power, infrastructure, etc. Information on relocation of industries is not centrally maintained.

(e) & (f): There are no specific Central Government Schemes to provide financial assistance to continue such industries. Besides providing a policy regime that facilitates and fosters growth and development of industries, steps taken for revival of sick industrial units, inter-alia, include setting up of Board of Industrial and Financial Reconstruction (BIFR) and issue of guidelines by Reserve Bank of India to banks for financial support and amalgamation of sick units with healthy units.Wherever feasible rehabilitation schemes are sanctioned for the revival of the units registered with the BIFR which, inter alia, include restructuring of the capital, induction of fresh funds by the promoters, Government assistance for public sector units, merger with other companies, relief and concessions in the form of rescheduling of dues by Financial Institutions, banks and Government and change of management.